

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6706

BILL NUMBER: SB 419

NOTE PREPARED: Jan 6, 2015

BILL AMENDED:

SUBJECT: Town Marshals.

FIRST AUTHOR: Sen. Boots

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
FEDERAL

IMPACT: State & Local

Summary of Legislation: The bill provides that, after June 30, 2015, a town law enforcement officer who is not a member of the 1977 Police Officers' and Firefighters' Pension and Disability Fund (1977 Fund) and has successfully completed the minimum basic training requirements for town law enforcement officers becomes a member of the Public Employees' Retirement Fund (PERF).

The bill provides that the president of the town legislative body appoints the town marshal, who serves at the pleasure of the president. (Currently, the town legislative body appoints the town marshal.)

Effective Date: July 1, 2015.

Explanation of State Expenditures: *Indiana Public Retirement System (INPRS):* INPRS administers both the 1977 Fund and PERF. The bill's requirements are within the agency's routine administrative functions and should be able to be implemented with no additional appropriations, assuming near customary agency staffing and resource levels.

Explanation of State Revenues:

Explanation of Local Expenditures: Towns with marshal departments who have officers who are not currently members of PERF and are not members of the 1977 Fund will be required to enroll those officers in PERF.

There are roughly 1,100 full-time and 400 part-time officers of marshal departments in Indiana. Currently, 136 of those individuals are members of PERF and it is not believed that any of the remaining individuals

are current members of the 1977 Fund. Therefore, approximately 1,364 town marshals and deputy marshals may be affected by the bill.

Current employer contribution rates for local units for PERF is 11.2% of payroll. The exact cost to each affected town depends upon the combined salaries of all of the marshals and deputy marshals within their jurisdiction.

Marshals and deputy marshals who are enrolled in PERF as a result of this bill will be required to contribute 3% of their salary to PERF, unless the town opts to “pick up” the contribution on behalf of the officer.

The provision of the bill dealing with the appointment of a town marshal by the president of the town legislative body should have no fiscal impact on towns with marshal departments. Currently, the town legislative body appoints the town marshal.

Explanation of Local Revenues:

State Agencies Affected: Indiana Public Retirement System.

Local Agencies Affected: Towns with marshal departments.

Information Sources: Tony Green, INPRS, agreen@inprs.in.gov; Janice Hardwick, Indiana Law Enforcement Academy, jbhardwich@ilea.in.gov; Mike Clark, Indiana Marshals Association, president@inmarshal.org.

Fiscal Analyst: Stephanie Wells, 232-9866.